



RECORD OF PROCEEDINGS
Michigan Cooperative Liquid Assets Securities System
Board of Trustees
March 23, 2018

A Special Working Session of the Board of Trustees ("Board") of the Michigan Cooperative Liquid Assets Securities System ("Michigan CLASS") was held at 9 a.m. on Friday, March 23, 2018 at The JW Marriott Grand Rapids, 235 Louis St NW, Grand Rapids, MI 49503

Board Members Present:

- Mr. Jeff Anderson
- Mr. Jeffrey Budd
- Ms. Karen Coffman
- Ms. Kelly Corbett
- Ms. Susan Daugherty
- Ms. Glenna MacDonald
- Ms. Holly Moon
- Ms. Julie Omer
- Mr. Edward Sell
- Mr. Bradley Slagh
- Mr. Joe Snyder
- Mr. Scott Taylor

Staff Present:

- Mr. Randy Palomba, Public Trust Advisors, LLC
- Mr. Matthew Starr, Public Trust Advisors, LLC
- Mr. Richard Garay, Public Trust Advisors, LLC
- Ms. Kristin Angel, Public Trust Advisors, LLC

This working session was scheduled for the Board of Trustees to review the current Michigan CLASS Participation Agreement in order to determine whether amendments are necessary. The session was facilitated by Public Trust Advisors and was open to the members of the public, it ended at approximately 11:55 PM.



RECORD OF PROCEEDINGS

Meeting Minutes Michigan Cooperative Liquid Assets Securities System Board of Trustees March 23, 2018

A Regular Meeting of the Board of Trustees ("Board") of the Michigan Cooperative Liquid Assets Securities System ("Michigan CLASS") was held at 1:00 p.m. on Friday, March 23, 2018 at The JW Marriott Grand Rapids, 235 Louis St NW, Grand Rapids, MI 49503

Board Members Present:

- Mr. Jeff Anderson
- Mr. Jeffrey Budd
- Ms. Karen Coffman
- Ms. Kelly Corbett
- Ms. Susan Daugherty
- Ms. Glenna MacDonald
- Ms. Holly Moon
- Ms. Julie Omer
- Mr. Edward Sell
- Mr. Bradley Slagh
- Mr. Joe Snyder
- Mr. Scott Taylor

Board Members Absent:

- Mr. Bruce Malinczak

Staff Present:

- Mr. Randy Palomba, Public Trust Advisors, LLC
- Mr. Chris DeBow, Public Trust Advisors, LLC
- Mr. Matthew Starr, Public Trust Advisors, LLC
- Mr. Richard Garay, Public Trust Advisors, LLC
- Ms. Kristin Angel, Public Trust Advisors, LLC
- Ms. Anneliese Williams, Barnes & Thornburg, LLP (phone)

Others Present:

- None



1. Roll Call of the Members

Chairman Sell called the meeting, which was duly posted, to order at 1:00 p.m. It was determined that a quorum was present.

2. Approval of Agenda

Ms. Coffman moved to approve the agenda as presented, Ms. Omer seconded the motion, which passed unanimously.

3. Comments from the Public or Other Interested Parties

None

4. Consent Agenda

Mr. Budd requested that agenda item 4E (Board Insurance Policy) be removed from the consent agenda for discussion. Staff provided an explanation of the policy, which is provided to the Michigan CLASS Board of Trustees as required under the Agreement with Public Trust.

Upon a motion made by Mr. Anderson and a second from Ms. Moon, the Board unanimously approved the consent agenda as presented.

5. Board of Trustee Action Items

A. Approval of Michigan CLASS Election Policy

The Election Policy details the annual Michigan CLASS Board of Trustees election process, including the roles and responsibilities of the nominations committee, qualified candidates and the steps to be taken in the event of a tie.

Upon reviewing the Elections Policy, Ms. MacDonald made a motion to approve it as written, Mr. Snyder seconded, and the Board unanimously approved. It was determined that the policy would exist as an addendum to the Participation Agreement.

B. Approval of Michigan CLASS Privacy Policy

Staff reviewed the drafted Privacy Policy with the Board. The policy outlines the program's objective to securely maintain the integrity of Participant's information.

With a motion from Ms. Coffman, supported by Mr. Taylor, the Board unanimously approved the Michigan CLASS Privacy Policy.

6. Staff Reports – Economic Overview and Fund Overview

Mr. Palomba discussed the U.S. economy and addressed the expectations that the Federal Open Market Committee (FOMC) will continue to increase the fed funds target rate over the course of 2018. He also reviewed the detailed financial updates that were included in the Board packet regarding market overview, fund safety, liquidity and yield.



7. General Board of Trustee Items

A. Review of Annual Calendar

The Board of Trustees discussed its upcoming meeting schedule. It was determined that the September 2018 meeting will be held in either Petoskey or Traverse City based on availability.

B. Review of Signature Authority

The Board of Trustees annually reviews those members who serve as the official signatories for the Board. Chairman Sell, Vice-Chair Corbett and Treasurer MacDonald were authorized for 2018.

8. Board Monitoring Responsibilities

A. Treatment of Clients – Participant Survey – Protect Policy

Annually, the Board works with the Administrator to prepare a survey of the Participants of Michigan CLASS. Staff recommended issuing this year's survey during the third quarter in order to allow for Participants to utilize the new Michigan CLASS Website for several months before asking for feedback. The Board of Trustees agreed with the timeline and requested that staff prepare a draft for review at the regularly scheduled June meeting.

B. Communication and Support

Staff provided a detailed list of the various communications shared with the Board of Trustees throughout the year. With a motion from Ms. Coffman, seconded by Ms. Daugherty, the Board of Trustees unanimously approved the listing.

9. Discussion Items

Ms. Williams, Barnes & Thornburg, joined the meeting via teleconference. Approximately 1:40 PM

A. FOIA Procedures and Guidelines

Given the recent growth of Michigan CLASS, Chairman Sell, along with members of the Public Trust Staff, had requested that Ms. Williams develop drafts of Freedom of Information Act (FOIA) procedures and guidelines. Ms. Williams presented the Board with the drafts and reported that the documents were closely aligned with the FOIA information frequently utilized by the local governments in the State of Michigan.

Upon review, the Board requested that Ms. Williams finalize the documents for approval at their regularly scheduled meeting in Lansing this June.

B. Michigan CLASS Participation Agreement Review

The Board of Trustees recapped the discussions held earlier that morning during a work session. Ms. Williams provided her opinions regarding several questions. It was determined that certain amendments to the Participation Agreement would



be necessary in order to more accurately define the recently expanded 13-member Board.

Staff will work with Ms. Williams to develop a redlined version of the current Participation Agreement. The document will be provided to the Trustees for their review prior to the June meeting.

Ms. Williams left the meeting. Approximately 2:50 PM

C. Michigan CLASS Website

The new website was launched during the first quarter of 2018. Participant feedback has been very positive.

D. June 2018 Board Meeting and Lugnuts Game

The regularly scheduled June meeting will be held on Friday, June 22nd in Lansing, MI and will be followed by the annual trip to the Lansing Lugnuts Participant event.

E. September and December Meeting Locations

The September meeting is scheduled to be held on Friday the 28th in either Petoskey or Traverse City. The December meeting will be in Ann Arbor on Thursday the 13th.

F. Due Diligence Visits

Ms. MacDonald reported that she would be visiting the Public Trust headquarters in Denver next week in order to see the daily Michigan CLASS operations in person.

G. Other Items

None

10. Board Committee Updates

None

11. Board Advocacy Updates

None

12. General Business

A. Chairman Report

None

B. Treasurer's Report

Ms. MacDonald reported that she had reviewed both the final 2017 Board Expenses as well as the current Board Expenses for 2018. Mr. Slagh made a motion for acceptance as presented, support by Mr. Budd, unanimously approved.

C. Individual Trustee

No reports



D. Legal Counsel Comments

No further reports

13. Administrator Updates
Staff Report – General Administration

A. Marketing Report

Mr. Garay provided a marketing update on assets under management, new Participants, underfunded Participants, entity distribution, and 2018 conferences and events.

B. Marketing Initiatives

Staff provided copies of the most recently distributed Investor Newsletters and electronic marketing.

C. Tasks and Projects

Staff provided a list of Michigan CLASS related projects.

D. Public Trust Updates

Recent additions to staff include a new senior portfolio manager and a senior accountant.

E. Other Items

None

14. Executive Session

None

15. Adjournment

Upon a motion by Mr. Anderson and a second by Ms. MacDonald the meeting was adjourned at 3:38 p.m.

These are the official Minutes of the Michigan CLASS Board of Trustees meeting March 23, 2018.

Signed:

Bradley Slagh, Secretary

Date: June 22, 2018

Minutes taken by: Matthew Starr
Minutes prepared by: Matthew Starr